

SPEAKER LUEDTKE: Go back now to Senator Newell's LB 42, Mr. Clerk.

CLERK: Mr. President, Senator Newell moves to return LB 42 to Select File for a specific amendment. (Amendment appears on page 2074 of the Legislative Journal.)

SENATOR NEWELL: All right. Members of the body, simply all I'm trying to do here is say that all fixed costs above the 7% normally that is allowed for all fixed costs would be exempt as Senator Koch wanted it. Now, I think the first 7% ought not be exempted when you're looking at the total budget and so forth. I think that this just guarantees that those fixed costs that are excessive will be taken care of but those fixed costs that are normally increased will not and for that reason I offer the amendment. I think it will help clarify it and I think that's what we need to do. Thank you.

SPEAKER LUEDTKE: All right. Senator Koch, do you have a question?

SENATOR KOCH: Well, Mr. Speaker, we're back on questions. Earlier this morning I noticed a considerable amount of rhetoric going on but I will put it in the form of a question. Senator Newell, what are fixed charges?

SENATOR NEWELL: Well, Senator Koch, I'm not sure exactly but your definition and I think for the record it would be insurance and--you said insurance costs and what else did you say were the? That's exactly...now fixed costs are what you...

SENATOR KOCH: Well, I was testing your budgetary knowledge as it pertains to budgets.

SENATOR NEWELL: Well, Senator Koch, the Legislative intent that you used yesterday was insurance and some other cost. Was it just insurance?

SENATOR KOCH: That fixed charges are very explicit and uniform budgeting was....

SENATOR NEWELL: Utilities and.... Utilities and insurance, those are the only two areas.

SENATOR KOCH: That's correct plus a number of other items.

SENATOR NEWELL: Okay, and those are the only...and I think that's the legislative intent and my amendment would say that those costs up to 7% would be included. Any costs that would rise faster than 7% would be excluded as your amendment would allow for. I think this would take the loopholes out and at the same time provide a lid bill with some integrity and I think that's the objective here.

SENATOR KOCH: Senator Newell, so that I can be absolutely certain of what your intent is would you give me an example of what you're attempting to do? Just take insurance for one instance. Blue Cross/Blue Shield.

SENATOR NEWELL: All right. If the insurance rates rise by 7% then they would not be excluded under your provisions.